

Customer case studies

LycoRed

LycoRed is a leading supplier of vitamin and mineral blends, many of them household names. New ownership signalled the search for a manufacturing solution that was a perfect fit for the company's size while providing the flexibility and agility needed to outperform larger competitors. LycoRed found the answer in Access Supply Chain.

“Running a business is all about having the right information at the right time. Access provides us with just that.”

Nigel Nash
Company Secretary
and Financial Controller



The challenges

Under the previous ownership of German based group Merck, the site had tried to adopt SAP. It's a common scenario for a small business to be force-fed a system by its parent, but, as is often the case, it proved to be a difficult exercise. Nigel Nash, the firm's Company Secretary and Financial Controller, explains, "Instead of the system meeting our business needs, we had to try to change our operations to fit with what SAP could do. It was a really difficult time because I had no control over anything – it was all carried out at the group's head office which, for me, was a total nightmare."

At that time, the company was already familiar with Access as it had previously used the accounts system. So, once the company knew that its owners were looking to sell, the site

returned to Access and installed its Access Supply Chain suite. "We knew we would need a working platform on which to move forward," says Nigel.

A winning solution

And it has proved to be a winner. From its new site, which offers double the capacity of the previous plant, LycoRed is now anticipating a surge in sales. With flexibility and agility provided by the supporting systems, the business can pursue its goals of growing the existing base as well as expanding into new areas. "We're negotiating with customers, particularly those who re-order mixes, to make larger batch runs which we can either hold for call-off, or deliver," says Nigel. This has been made possible by the increased capacity: previously, a 2,000 litre mixer was the largest used, but now it's a 5,000 litre version.

Industry	Manufacturing
Geographic	Kent
Employees	45
Turnover	£14m
Solution	Access Supply Chain Dimensions
Modules	Core ledgers Sales order processing & invoicing Purchase order processing Works orders Stock control Location & lot control Resource Engine (MRPII) API Stock forecasting

Apart from easing the move to new premises, Access has been an important step in securing the company's future. "We can react so much quicker than many of our larger competitors," says Nigel. "They are such big organisations with so many product lines. We have limited product lines, but can respond quicker and cut lead times." Indeed, the lead time averages are between two and three weeks – elsewhere, it is five or six weeks. For LycoRed, its success has been built on combining a quality product with speed of response.

Developing the right mix

Research and development plays a vital role. New recipes, or mixes, are developed and tested every day. Once a customer request is received, LycoRed's technical team moves into action and works on achieving the right mix. "We are continuously working on new recipes," says Nigel. "And for every dozen or so requests that we work on, only one may go into final production." This could be a result of particle size, taste, and so on. "There are so many variables that we have to consider before we reach an acceptable end product."

Access has been a key enabler for R&D. "Before, we had a formulation database which was a standalone system," explains Nigel. "We used to take our recipes and label them with information from that system and physically key it in, which took about half an hour. But in the past two years, we've worked with the database supplier and with Access to create an automatic link between the two." So, once the customer gives the go ahead, the authorised recipe can be downloaded at the push of a button. "The information includes label requirements, pack sizes, ingredients, the percentage per kilo of production – it's all there and ready to roll." The savings amount to more than just time, "We'd have to do this ten times a week, so that's 300 minutes a week we've saved," says Nigel, "but we've also eliminated the errors from manual keying. The benefits of speed and accuracy were immediate."

Further information

For further information on this, or any other Access case studies, please telephone us on 01206 322575, email case-studies@theaccessgroup.com or, alternatively, visit www.theaccessgroup.com/downloads/case-studies.aspx

©Access 2009. E&OE.

A perfect blend

For the day-to-day business, Access has also led to dramatic improvements. Nigel describes the process, "When an order comes in, it goes straight to customer service where it is entered on the system. This gives the planner a prompt that a new order has been entered: he checks when it can be produced and confirms if that matches the date requested by the customer, which it is in most cases."

Interestingly, LycoRed has chosen to blend the IT capability with human expertise to give the best result. The planner still has the opportunity to exercise his skill and experience: there is no scheduling software. And its on-time in full (OTIF) delivery is currently 95 per cent, a huge improvement.

Nigel has also regained the control and visibility that was lacking before. "Debtor days went through the roof when credit control responsibility lay with head office. It's now halved to less than 60 days."

Elsewhere, visibility is boosting efficiency, too. "To check shelf life, we run monthly reports on expiry dates and run auto-allocation of materials. We used to have a manual system to decide which batch of material to use next. Now, it works automatically."

Future developments

And what of the future? While response time and ability to react have been so important for LycoRed's success, Nigel says the business is looking to develop and to proactively market to its customers. He meets Access on an annual basis to work with them on extending the scope of the system to help drive the business forward. "I've always got something I want to develop; I never want to slip behind."

He also actively consults key customers on development plans and one example of this supplier/customer consultation process delivering benefit is with barcoding, which will be implemented later this year.

Traceability is vital in this sector and barcoding will speed up the process and give better access to data. But not content with implementing a system for its own needs, LycoRed is looking for customer input. "We're working in conjunction with customers to see what requirements they have for coding on finished products: it's not enough to solve our own issues, we have to satisfy customer needs. We may be a manufacturer, but service is what our business is built on," says Nigel.

"We're also working with one customer to develop infant formula; this will be a major step for us," he says. This is only possible because the new Aylesford facility was built to pharmaceutical standards. The customer in question even helped out with advice on the design of the building so that it could achieve the high standards required.

"We are expecting turnover to double in the next three to four years to £20 million," reports Nigel. "Running a business is all about having the right information at the right time. Access provides us with just that."

Who we are

Access specialises in the provision of fully functional ERP solutions for medium and large companies. Our modular system will give you a fully connected platform that can be constantly tuned and expanded – now and as you grow. Whether you are a distribution, manufacturing, assembly or service company, we provide cost-effective functionality for every aspect of your organisation.

Our Access Supply Chain ERP solution incorporates both distribution and manufacturing packages. Select the manufacturing and you can incorporate any or all of the distribution modules and vice versa. Both packages include fully integrated financials and, to complete your solution, powerful productivity modules are also available.